AMENDED IN ASSEMBLY MARCH 3, 2003

CALIFORNIA LEGISLATURE—2003-04 REGULAR SESSION

ASSEMBLY BILL

No. 217

Introduced by Assembly Member Cohn

January 29, 2003

An act to amend Section 17076.10 of the Education Code, relating to school facilities.

LEGISLATIVE COUNSEL'S DIGEST

AB 217, as amended, Cohn. School facilities: funding.

The existing Leroy F. Greene School Facilities Act of 1998, requires the State Allocation Board to allocate to applicant school districts funding for construction of school facilities, including funding for site development and acquisition. Existing law requires a school district that receives funding pursuant to this act to submit a report of expenditure of state funds to the State Allocation Board. Existing law requires the State Allocation Board to rescind an apportionment made to a school district that fails to make substantial progress towards increasing its pupil capacity or modernizing its facilities or does not meet the criteria to have the funds released within 18 months of receipt of the funding.

This bill would authorize the board, if it finds that a school district faces extraordinary circumstances in modernizing multiple projects, to extend to 24 months the time period, as specified, that a school district has to make substantial progress towards increasing its pupil capacity or modernizing its facilities or to meet meeting the criteria to have the funds released.

Vote: majority. Appropriation: no. Fiscal committee: yes. State-mandated local program: no.

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The people of the State of California do enact as follows:

SECTION 1. Section 17076.10 of the Education Code is amended to read:

17076.10. (a) A school district that receives funds pursuant to this chapter shall submit a summary report of expenditure of state funds and of district matching funds annually until all state funds and district matching funds are expended, and shall then submit a final report to the board. The board may require an audit of these reports or other district records to ensure that all funds received pursuant to this chapter are expended in accordance with program requirements.

- (b) If the board finds that a participating school district has not made substantial progress towards increasing its pupil capacity or modernizing its facilities within 24 18 months of the receipt of any funding pursuant to this chapter, the board shall rescind the apportionment in an amount equal to the unexpended funds.
- (c) If the board, after the review of expenditures or an audit is conducted pursuant to subdivision (a), determines that a school district failed to expend funds in accordance with this chapter, the department shall notify the school district of the amount that shall be repaid to the 1998 State School Facilities Fund, the 2002 State School Facilities Fund, or the 2004 State School Facilities Fund, as the case may be, within 60 days. If the school district fails to make the required payment within 60 days, the department shall notify the Controller and the school district in writing, and the Controller shall deduct an amount equal to the amount received by the school district under this subdivision from the school district's next principal apportionment or apportionments of state funds, other than basic aid apportionments required by Section 6 of Article IX of the California Constitution. Any amounts obtained by the Controller shall be deposited into the 1998 State School Facilities Fund, the 2002 State School Facilities Fund, or the 2004 State School Facilities Fund, as appropriate.
- (d) If a school district has received an apportionment, but has not met the criteria to have funds released pursuant to Section 17072.32 or 17074.15 within a period established by the board, not exceeding 24 to exceed 18 months, the board shall rescind the apportionment and deny the district's application.

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1 (e) If the board finds that a school district faces extraordinary 2 circumstances in modernizing multiple projects, the board may 3 extend the time the school district has to meet the criteria to have 4 funds released by an additional six months, for a total of 24 months.